

SECONDARY MEANING AND THE FIVE YEARS' USE REQUIREMENT IN THE OHIO TRADEMARK LAW

Yunker v. Nationwide Mutual Insurance Co.
86 Ohio L. Abs. 257, 176 N.E.2d 465 (C.P. 1960)

An injunction and damages were sought for an alleged infringement of plaintiffs' service mark registered with the secretary of state under the Ohio Trademark Law.¹ Defendants cross-petitioned to have plaintiffs' service mark registration cancelled. The trial court, finding that the plaintiffs did not have a valid service mark and that the defendants had not engaged in unfair competition, rendered judgment for the defendants on both the petition and the cross-petition.

In 1956, plaintiffs, who had been operating as independent insurance agents in two small communities in Sandusky County, Ohio, merged their agencies and incorporated under the name "Securance Service, Inc." Advertising calendars were distributed for that year on which was printed: "Securance—Protection is our Profession." In 1957, plaintiffs published a newspaper advertisement which began with the words: "Security and Insurance—Securance." With the exception of these two instances, all of plaintiffs' advertising between 1956 and 1960 was directed toward the promotion of either the individual plaintiffs as insurance agents or the corporation, Securance Service, Inc. None of plaintiffs' other advertising used the word *securance* as a service mark, but only as part of a corporate name. Plaintiffs did not register the word with the secretary of state until after February 1960, at which time the defendant insurance companies had instituted an advertising campaign stressing the word *securance* in various nationally circulated magazines.

In ordering the plaintiffs' service mark registration cancelled on the ground that it had been improperly granted,² the court noted that the word *securance* is a dictionary word meaning "the act or fact of securing or assuring."³ The court implied, without expressly stating either its finding or its reasons, that the word was therefore a descriptive word.⁴ Under

¹ Ohio Rev. Code §§ 1329.54 to 1329.67 (Page Supp. 1961).

² A ground for cancellation by a court of competent jurisdiction under Ohio Rev. Code § 1329.62(D)(3) (Page Supp. 1961).

³ *Yunker v. Nationwide Mut. Ins. Co.*, 86 Ohio L. Abs. 257, 259, 176 N.E.2d 465, 466 (C.P. 1960).

⁴ For the sake of the future development of the law, the court should have clarified its reasons for holding the word *securance* to be descriptive. It would be an oversimplification to assume that the mere inclusion of a word in a dictionary establishes the word's descriptiveness. A word is not descriptive by itself; it is descriptive of *something*. Therefore, although any of the common nouns listed in a dictionary may be descriptive when used in conjunction with certain words, they may be used in other contexts in which they are not descriptive. For example, although the word *joy* is a dictionary word which is descriptive of an emotion, when it is used as a trademark for a kitchen cleansing agent it is no longer descriptive, but rather becomes fanciful and

the Ohio Trademark Law, a descriptive word will be denied registration as a trade or service mark unless it has become distinctive of the applicant's goods or services. Proof of substantially exclusive and continuous use by the applicant for the five years immediately preceding the filing of the application for registration may be accepted by the secretary of state as evidence of the mark's acquiring this distinctiveness.⁵ The court ruled that the two instances in which plaintiffs had used the word as a service mark did not constitute such continuous and exclusive use as would comply with the statute. At no point in the opinion did the court consider the concept of secondary meaning, the doctrine used by courts of equity to prevent the pirating of an identification mark which, although merely descriptive, has grown to stand for the product of a particular person.

A basic concept of the law of trademarks⁶ is that the right to the distinctive. The decisive factor is not the word's inclusion in a dictionary but the manner in which it is used in the specific instance.

That the plaintiffs in the principal case were using the word *securance* in a descriptive sense is indicated by their newspaper advertisement, "Security and Insurance = Securance." The very nature of the plaintiffs' business was to provide security for their customers. The noun *security* clearly would have been descriptive of that business, and the court held, in effect, that the substitution of a suffix to change the word to the noun *securance* was not sufficient to eliminate the element of descriptiveness. This is not to say that a descriptive word never may be altered in such a way as to nullify its descriptiveness. Such an alteration was held to create a valid trademark in *Lloyd Bros. v. Merrill Chemical Co.*, 11 Ohio Dec. Reprint 236, 25 Weekly L. Bull. 319 (1891). It is merely to say that the court in the instant case held, as a matter of fact, that the word *securance* was not sufficiently dissociated from the nature of the plaintiffs' business to give it the requisite distinctiveness.

⁵ Ohio Rev. Code § 1329.55 provides in part:

A trademark or service mark by which the goods or services of any applicant for registration may be distinguished from the goods or services of others shall not be registered if it . . .

(E) Consists of a mark which,

(1) When applied to the goods or services of the applicant is merely descriptive or deceptively misdescriptive of them, . . .

(3) . . . provided, that nothing in division (E) of this section shall prevent the registration of a mark used in this state by the applicant which has become distinctive of the applicant's goods or services. The secretary of state may accept as evidence that the mark has become distinctive, as applied to the applicant's goods or services, proof of substantially exclusive and continuous use thereof as a mark by the applicant in this state or elsewhere for the five years next preceding the date of the filing of the application for registration; . . .

⁶ As the court notes in the principal case, *supra* note 3, at 260, 176 N.E.2d at 467, "Service marks are trade-marks for services." Both trademarks and service marks are devices used by one person to identify the product of his labor and distinguish it from that of others. The wording of the definitions given in Ohio Rev. Code § 1329.54 indicates that the only difference between the two is that the service mark relates to the marketing of services rather than goods. Since service marks are a recent statutory innovation, the majority of decisional law in this field deals only with trademarks. In discussing the law developed in these cases, this paper will retain the references to trademarks. However, it may be assumed that this decisional law is equally applicable to service marks.

exclusive use of a mark is derived from the association in the minds of the purchasing public between the mark and the identity or reputation of the person using it.⁷ Therefore, property in a trademark can only be acquired through use; mere adoption is not sufficient.⁸ Nor are property rights in a trademark derived from statute.⁹

As a general rule, descriptive words are not susceptible of becoming trademarks, at least when they are used to describe an article which anyone is free to manufacture.¹⁰ The reasoning is that since any person has the right to manufacture the article, he should also have the right to describe his product completely and accurately.¹¹ However, the strict application of this rule led to commercial fraud. Therefore, the courts, returning to the basic premise that it was the association in the minds of the public which was important, developed the doctrine of secondary meaning. This doctrine provides that, where a person has maintained the exclusive use of a descriptive word as a trademark for such a period of time that the public has come to associate that word with his product, thus treating the word as if it had a second meaning, that person will be entitled to enjoin others from using the word in such a way as to steal or damage the goodwill arising from his reputation.¹²

As this definition indicates, the doctrine of secondary meaning originally grew out of the law of unfair competition rather than the law of technical

⁷ Lloyd Bros. v. Merrill Chemical Co., *supra* note 4.

⁸ United Drug Co. v. Rectanus Co., 248 U.S. 90, 97 (1918); Hanover Star Milling Co. v. Metcalf, 240 U.S. 403 (1916); Trade-Mark Cases, 100 U.S. 82 (1879).

In the principal case the court states that ownership of a service mark can only mature out of use, apparently basing the statement on Ohio Rev. Code § 1329.54(F) which defines a service mark as one "used" in the state in a certain manner.

⁹ United States Printing & Lithograph Co. v. Griggs, Cooper & Co. 279 U.S. 156 (1929); Ohio Baking Co. v. National Biscuit Co., 127 Fed. 116 (6th Cir. 1904); Reeder v. Brodt, 4 Ohio N.P. 265, 6 Ohio Dec. 248 (C.P. 1897).

¹⁰ Cleveland Opera Co. v. Cleveland Civic Opera Ass'n, 22 Ohio App. 400, 154 N.E. 352 (1926); Ironsides Co. v. Ironsides Chemical Co., 1 Ohio N.P. (n.s.) 346, 14 Ohio Dec. 193 (C.P. 1903); Feder v. Brundo, 5 Ohio N.P. 275, 8 Ohio Dec. 179 (C.P. 1898); Smith v. Kernan, 8 Ohio Dec. Reprint 32, 33, 5 Weekly L. Bull. 145, 146 (Cincinnati Super. Ct. 1880).

¹¹ G. & C. Merriam Co. v. Saalfeld, 198 Fed. 369, 373 (6th Cir. 1912); Lloyd Bros. v. Merrill Chemical Co., *supra* note 4, at 243, 25 Weekly L. Bull. at 324.

¹² Wisconsin Electric Co. v. Dumore Co., 35 F.2d 555, 557 (6th Cir. 1929); Upjohn Co. v. Wm. S. Merrill Chemical Co., 269 Fed. 209, 211 (6th Cir. 1920); G. & C. Merriam Co. v. Saalfeld, *supra* note 11; Safe-Cabinet Co. v. Globe Wernicke Co., 3 Ohio App. 24, 37 (1914); Big Store Co. v. Levine, 22 Ohio N.P. (n.s.) 469, 31 Ohio Dec. 451 (C.P. 1920).

As the court notes in G. & C. Merriam Co. v. Saalfeld, *supra* note 11, at 373, the phrase "secondary meaning" is really a misnomer. What is required for injunctive relief under this doctrine is that the normal association in the minds of persons hearing the word should be to its trademark meaning and not to its descriptive meaning. Its significance as a trademark should become its *primary* meaning.

trademarks.¹³ However, considering the close relationship between these two areas of law and also the recent modifications in the statutory law of trademarks, it is strongly arguable that the concept of secondary meaning should now be incorporated into the law of trademarks. Furthermore, if this is true, the court in the instant case should have considered the applicability of the doctrine of secondary meaning in its opinion rather than merely relying upon the statutory criterion of five years' substantially exclusive and continuous use.

The federal courts in a series of decisions have held that the acquisition of secondary meaning, in the absence of compliance with a statutory provision requiring a certain number of years' use, does not render a descriptive word registrable as a trademark.¹⁴ But, with one exception,¹⁵ these decisions were all rendered pursuant to the Federal Trademark Act of 1905. This act declared categorically that a descriptive word should not be registered unless the applicant had complied with a prescribed period of use, the so-called "ten-year clause."¹⁶ It did not provide, as does the Ohio statute, that such a word might be registered if it had become distinctive, and that a stipulated period of use was merely evidence of such distinctiveness.

Several factors indicate that the federal Lanham Act, which was the prototype of the Ohio Trademark Law,¹⁷ was intended to allow secondary meaning as a ground for registrability regardless of the length of the period of use. First, there is the apparent change in the language of the act from

¹³ *Cleveland Opera Co. v. Cleveland Civic Opera Ass'n*, *supra* note 10; *Safe-Cabinet Co. v. Globe Wernicke Co.*, *supra* note 12; *Cleveland Transfer & Carriage Co. v. Brailey*, 23 Ohio C.C.R. (n.s.) 486, 488, 40 Ohio C.C. Dec. 673, 675 (Cir. Ct. 1912); *Big Store Co. v. Levine*, *supra* note 12.

¹⁴ *Elgin National Watch Co. v. Illinois Watch Case Co.*, 179 U.S. 665 (1901); *In re Canada Dry Ginger Ale*, 86 F.2d 830 (C.C.P.A. 1936); *Barber-Colman Co. v. Overhead Door Corp.*, 65 F.2d 147 (C.C.P.A. 1933); *Hercules Powder Co. v. Newton*, 266 Fed. 169 (2d Cir. 1920).

¹⁵ *Elgin National Watch Co. v. Illinois Watch Case Co.*, *supra* note 14, was decided under the Federal Trademark Act of 1881, and based upon common-law grounds.

¹⁶ The Trademark Act of 1905, c. 592, 33 Stat. 724, § 5, stated in part:

... [N]o mark which consists . . . merely in words or devices which are descriptive of the goods with which they are used, or of the character or quality of such goods, . . . shall be registered under the terms of this Act: Provided . . . , That nothing herein shall prevent the registration of any mark . . . which was in actual and exclusive use as a trade-mark of the applicant or his predecessors from whom he derived title for ten years next preceding the passage of this act.

¹⁷ Pollack, "State Trade-Marks and Marks of Ownership," 14 Ohio St. L.J. 381 (1953), notes that the Ohio act conforms generally to the Model State Trademark Bill, which, in turn, appears to have been based on the Lanham Act. In at least one respect, the Ohio act is more akin to the Lanham Act than to the Model Bill; the latter makes no reference to "service marks," but the Lanham Act provides for them in 60 Stat. 429 (1948), 15 U.S.C. § 1053.

that of the prior law.¹⁸ The statutorily defined period of use is not the absolute criterion of registrability of a descriptive word but merely evidence of it. The distinctiveness of the word is the controlling factor. Secondly, there is the legislative intent manifested in the Senate committee report on the bill.¹⁹ This report indicates that one of the purposes of the act was to liberalize the requirements of registrability. The report clearly evidences the legislators' convictions that the law of trademarks and unfair competition should be unified. Thirdly, there is support for this interpretation in the subsequent judicial construction of the Lanham Act. Although it is normally in the form of dicta, there have been several statements by the federal courts which indicate that they would now consider secondary meaning alone as a ground for registrability.²⁰ When coupled with the fact that the doctrine of appropriation through use is central to the law of trademarks, this construction of the analogous portion of the Lanham Act presents a convincing argument that the concept of secondary meaning should be applied in the interpretation of the new Ohio Trademark Law.

In regard to the instant case, the omission of any discussion of secondary meaning probably had no effect on the trial court's decision. It appears from the facts stated in the opinion that the plaintiffs operated an independent insurance agency in and around two small towns.²¹ In such circumstances it is not likely that the use of a descriptive word twice in four years could give it any secondary meaning. However, the situation of the defendants in the case illustrates the importance of the issue. As a group of large insurance companies, they had instituted an advertising campaign in several nationally circulated magazines. Through the use of modern advertising techniques and mass media, a descriptive word could acquire secondary meaning, and hence distinctiveness, in far less than five

¹⁸ The relevant portion of the Lanham Trademark Act, 60 Stat. 428 (1948), 15 U.S.C. § 1052, reads as follows:

No trade-mark . . . shall be refused registration on the principal register on account of its nature unless it . . .

(e) Consists of a mark which, (1) when applied to the goods of the applicant is merely descriptive or deceptively misdescriptive of them, . . .

(f) . . . [N]othing in this chapter shall prevent the registration of a mark used by the applicant which has become distinctive of the applicant's goods in commerce. The commissioner may accept as prima facie evidence that the mark has become distinctive, as applied to the applicant's goods in commerce, proof of substantially exclusive and continuous use thereof as a mark by the applicant in commerce for the five years next preceding the date of the filing of the application for its registration.

The relevant portion of the Trademark Act of 1905 is set out *supra* note 14.

¹⁹ S. Rep. No. 1333, 79th Cong., 2d Sess. (1946).

²⁰ *Schulmerich Electronics, Inc. v. J. C. Deagan, Inc.*, 202 F.2d 772, 777 (C.C.P.A. 1953); *Curtis-Stephens-Embry Co. v. Pro-Tek-Toe Skate Stop Co.*, 199 F.2d 407, 411 (8th Cir. 1952); *Gold Seal Co. v. Weeks*, 129 F. Supp. 928, 931 (D.D.C. 1955).

²¹ *Younker v. Nationwide Mut. Ins. Co.*, *supra* note 3, at 258, 176 N.E.2d at 466.

years.²² Such a word should be granted registration and protection under the Ohio Trademark Law.²³

²² In *Upjohn Co. v. Wm. S. Merrill Chemical Co.*, *supra* note 12, at 213, the court stated as obiter dicta that it did not believe secondary meaning could be "manufactured overnight by intensive advertising." However, this opinion was written in 1920, and it seems doubtful that a present-day court would support this conclusion.

²³ The decision of the trial court in the principal case was subsequently reversed in part by the Court of Appeals. The ruling of the appellate court was expressed in an unreported memorandum opinion which did not state the grounds of decision. For this reason, it was felt that the decision of the trial court was still of noteworthy significance, regardless of its reversal. The case is presently pending before the Supreme Court of Ohio.